



Sewer and Water Company Flats, Inc., but did not present testimony. The Commission Staff was represented by F. David Butler, General Counsel. The Staff presented no witnesses.

Roger Edwards, President of the Company, testified. Edwards noted that the Company presently has rates of \$60.00 monthly for residential water and sewer and \$135 monthly for business customers. Goat Island is requesting approval of a tap fee of \$450 for water and \$450 for sewer.

Edwards testified that until recently, DHEC did not permit any additional taps on the Goat Island systems due to insufficient capacity. Last year, however, DHEC agreed to recalculate the available capacity to reflect the fact that some of the residences served are vacation homes and, as a result, approved an additional 28 taps. Prior to that time, the Company did not have approved tap fees, and did not need them, since all taps were used by developments and the developments paid the costs of upgrading the facilities, extending the lines, and tapping onto the systems. Edwards states that the proposed tap fees will allow Goat Island to recover the cost of physical connection and a portion of the cost of impact on capacity from those persons or entities who use the 28 taps. The tap fees are therefore only to be applied to future customers.

Edwards further testified that the fees are designed to recover the costs of installing a service line between the water or sewer main and the service connection. These costs include the materials and labor related to providing initial service to a given location, and are based upon reliable estimates provided by B.P. Barber & Associates, Inc., an engineering firm. The costs do not include expenses for any extension of the Company's mains, which would be recovered under a separate contract to be entered into by the Utility and the customer desiring the extension. Next, the tap fees are designed to recover a portion of the cost of the impact upon

service capacity which results from a tap-on. Taken together, these costs are partially covered by the proposed tap fees. Edwards states a belief that the proposed fees are just and reasonable and well within the range of tap fees which this Commission has approved for other water and sewer utilities.

In its Application, the Company submitted cost justifications for both water and sewer tap fees. For water, the service line portion amounted to \$385.85, whereas the plant capacity portion amounted to a total net plant figure of \$573.47, for a total of \$959.32. The Company is requesting a \$450 fee. For sewer, the service line portion was \$397.00 and the net plant per customer was \$573.47, for a total of \$970.47. Again, Goat Island is requesting a \$450 fee.

We have reviewed the evidence in this case, and do conclude that the Company has justified its requested tap fees of \$450 each for water and sewer taps. Clearly, the costs involved amount to almost twice the requested tap fees. Cost justification is clearly evident in this case. We believe that the testimony justifies the requested tap fees. Accordingly they are approved, and shall be added to Goat Island's already approved schedule of rates and charges. (See Appendix A.)

APRIL 12, 2000

PAGE 4

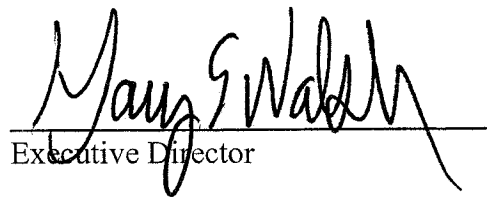
---

This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

  
Chairman

ATTEST:

  
Executive Director

(SEAL)

## APPENDIX A

GOAT ISLAND WATER AND SEWER CO., INC.  
P.O. BOX 700  
SUMMERTON, SC 29148  
(803) 478-7346

Docket No.	1999-506-W/S
Order No.	2000-0353
Effective:	4/12/00

### TAP FEE

Residential	
Water	\$ 450.00
Sewer	\$ 450.00
Commercial	
Water	\$ 450.00 per SFE
Sewer	\$ 450.00 per SFE

Docket No.	95-1075-W/S
Order No.	95-1731
Effective:	12/13/95

### MONTHLY WATER & SEWER RATES

Residential	\$ 60.00
Commercial	\$ 135.00